

**STATE OF VERMONT
GREEN MOUNTAIN CARE BOARD**

In re: Application of University of Vermont Medical)	
Center for the Purchase of a Building at 350)	
Tilley Drive for Relocation of its Outpatient)	GMCB-003-22con
Dermatology and Ophthalmology Practices)	
)	
)	

CERTIFICATE OF NEED

In accordance with Title 18, Chapter 221, Subchapter 5, other applicable laws, and the Statement of Decision and Order in this matter, the Green Mountain Care Board issues this certificate of need to the University of Vermont Medical Center (UVMMC), subject to the conditions set forth below.

Project Description and Scope

The project involves the purchase of the land and building located at 350 Tilley Drive in South Burlington for the relocation of UVMMC's Dermatology and Ophthalmology practices. The project includes the fit-up of 24,115 department gross square feet (DGSF) and the construction of a 2,220 sq. ft. metal panel and masonry addition for staff entry, freight/staff elevator, loading area, and support space for the building. The total capital cost of the project is \$35,246,100.

The project is outlined in greater detail in the Statement of Decision and Order in this docket, incorporated herein and issued today by the Board.

Project Conditions

The project as proposed, subject to the following conditions, meets the statutory criteria set forth in 18 V.S.A. § 9437:

1. UVMMC shall develop and operate the project in strict compliance with its scope as described in the application, in other materials in the record, and in strict conformance with the Statement of Decision and Order issued today in this docket. This certificate of need is limited to the project and activities described therein.
2. Throughout the project's implementation period, UVMMC shall comply with all current and future financial caps, targets, and other conditions imposed by the Board in its hospital budget instructions, guidance, and orders.
3. UVMMC shall not increase its commercial effective rates or overall change in charges to fund any expenses related to the project.

4. No later than July 1, 2023, UVMMC shall provide the Board with detailed information regarding how the project will be funded and the financial impacts of this decision, for example on days' cash on hand, debt covenants, and bond ratings. Any changes to the project's funding must be promptly reported to the Board.
5. No later than July 1, 2023, UVMMC shall post on its website the commercial, self-pay, and Medicare prices for each of the 25 most frequently performed Dermatology procedures or surgeries completed on site and each of the 25 most frequently performed Ophthalmology procedures or surgeries completed on site. UVMMC shall update the lists of procedures or surgeries no less than annually and shall update the prices as they change.
6. UVMMC shall file implementation reports with the Board semi-annually or annually, as specified below.

1. UVMMC shall report the following information by July 1, 2023, and every six months thereafter until all components and phases of the project are complete and fully operational and all invoices have been received and paid:

- a. an overview of the project, including any changes in financing, and information and analysis demonstrating that the project fully complies with its approved scope and the conditions of this certificate of need; and
- b. a spreadsheet separately listing each individual line-item expenditure represented on financial Table 1 of the application and, for each expenditure:
 - i. the total dollar amount approved by the Board;
 - ii. the dollar amount spent through previous reporting periods;
 - iii. the dollar amount spent during this reporting period;
 - iv. the cumulative dollar amount spent to date;
 - v. the amount remaining in dollars; and
 - vi. the amount remaining as a percentage.

2. UVMMC shall report the following information for the 350 Tilley Drive facility by January 1, 2024, and annually thereafter for 7 years or until the project produces a positive operating margin, whichever is sooner, but in no event less than 5 years:

Productivity - Dermatology						
	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
Average # of visits per clinical FTE per day for Dermatology						
Average # of visits per clinical FTE per day for Dermatology calculated from application estimates						
Benchmark for average # visits per clinical FTE per day for Dermatology (Specify source)						

Productivity - Ophthalmology						
	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
Average # of visits per clinical FTE per day for Ophthalmology						
Average # of visits per clinical FTE per day for Ophthalmology calculated from application estimates						
Benchmark for average # of visits per clinical FTE per day for Ophthalmology (Specify source)						

Wait Times – Dermatology and Ophthalmology						
	New Patient Visit Dermatology	Mohs Consult	New Patient Visit Ophthalmology	Retina New Patient Visit	Pediatric New Patient Visit	Cataract Surgery
Current wait times						
Projected wait times from application						
Benchmarks (Specify source)						

Revenue and Utilization - Dermatology						
	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
Number of outpatient procedures and surgeries						
Revenue associated with outpatient procedures and surgeries- Medicare						
Revenue associated with outpatient procedures and surgeries- Commercial payers						
Number of outpatient visits						
Revenue associated with outpatient visits- Medicare						
Revenue associated with outpatient visits- Commercial payers						

Revenue and Utilization - Ophthalmology						
	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
Number of outpatient procedures and surgeries						
Revenue associated with outpatient procedures and surgeries-Medicare						
Revenue associated with outpatient procedures and surgeries- Commercial payers						
Number of outpatient visits						
Revenue associated with outpatient visits- Medicare						
Revenue associated with outpatient visits- Commercial payers						

- Noncompliance with any provision of this certificate of need or with applicable ordinances, rules, laws and regulations constitutes a violation of this certificate of need and may be cause for enforcement action pursuant to 18 V.S.A. §§ 9445, 9374(i), (j), and any other applicable law.

8. The project shall be fully implemented within three (3) years of the date of issuance of this certificate of need.
9. This certificate of need is not transferable or assignable and is issued only for the premises and entity named in the application.
10. If UVMMC contemplates or becomes aware of a nonmaterial change, as defined in 18 V.S.A. § 9432(12), or a material change as defined in 18 V.S.A. § 9432(11), to the scope or cost of the project described in the application and as designated in this certificate of need, UVMMC shall immediately notify the Board. The Board shall thereafter advise UVMMC whether the proposed change is subject to additional review.
11. After providing UVMMC with notice and an opportunity to be heard, the Board may make such further orders as are necessary or desirable to accomplish the purposes of this certificate of need and to ensure compliance with its terms and conditions.
12. All reports, notices, forms, information, or submissions of any kind required to be submitted to the Board as a condition of this certificate of need shall be signed and verified by UVMMC's chief executive officer, or by his or her designated representative.
13. The conditions contained in this certificate of need shall remain in effect for the duration of the reporting period set forth in Condition 6, above.

SO ORDERED.

Dated: February 24, 2023, at Montpelier, Vermont.

<u>s/ Owen Foster, Chair</u>)	
<u>s/ Jessica Holmes</u>)	
<u>s/ Robin Lunge</u>)	
<u>s/ David Murman</u>)	
<u>s/ Thom Walsh</u>)	
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GREEN MOUNTAIN
CARE BOARD OF
VERMONT

Filed: February 24, 2023

Attest: /s/ Jean Stetter, Administrative Services Director